



Kadant Receives Contract of over \$4.0 Million for Recycling System in Asia

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WESTFORD, Mass., Mar 04, 2008 (BUSINESS WIRE) -- Kadant Inc. (NYSE:KAI) today announced that it has been awarded a contract with a value of over \$4 million from a leading producer in Asia for an OCC stock preparation system to produce linerboard. This pending order, which is scheduled for delivery in late 2008, will be recorded as an order when the down payment is received. It is currently anticipated the down payment will be received in the spring of 2008.

"This pending order demonstrates the strength of the Asian market as paper producers there continue to add capacity", said William A. Rainville, chairman and chief executive officer of Kadant. "We are pleased that the leading producers in this region rely on Kadant as a trusted partner to provide world class technology and systems."

Kadant Inc. is a leading supplier to the global pulp and paper industry, with a range of products and services for improving efficiency and quality in pulp and paper production, including paper machine accessories and systems for stock preparation, fluid handling, and water management. Our fluid-handling products are also used to optimize production in the steel, rubber, plastics, food, and textile industries. In addition, we produce granules from papermaking byproducts for agricultural and lawn and garden applications. Kadant is based in Westford, Massachusetts, with revenues of \$366 million in 2007 and 2,000 employees in 16 countries worldwide. For more information, visit www.kadant.com.

The following constitutes a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: This press release contains forward-looking statements that involve a number of risks and uncertainties, including forward-looking statements about the Asian pulp and paper industry, our products, technologies, expertise and market reputation, and potential future orders. In addition, the timing and receipt of the down payment on this pending order is subject to a number of uncertainties and there can be no assurance that we will be able to record and recognize revenues on the pending order described in this release. Important factors that could cause actual results to differ materially from those indicated by such statements are set forth under the heading "Risk Factors" in Kadant's quarterly report on Form 10-Q for the period ended September 29, 2007. These include risks and uncertainties relating to our dependence on the pulp and paper industry; significance of sales and operation of manufacturing facilities in China; international sales and operations; competition; our debt obligations; restrictions in our credit agreement; litigation and warranty costs related to our discontinued operation; our acquisition strategy; future restructurings; factors influencing our fiber-based products; protection of patents and proprietary rights; fluctuations in quarterly operating results; and anti-takeover provisions.

SOURCE: Kadant Inc.

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